

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS OF SEPTEMBER 9TH, 1936.

The Board of Public Works met in the office of the Governor, Executive Mansion, Annapolis, Maryland, on Wednesday, September 9th, 1936.

Present -

Harry W. Nice, Governor.
Wm. S. Gordy, Jr., Comptroller.
Hooper S. Miles, Treasurer.

Mr. Wm. H. Blakeman, State Budget Director, attended the meeting.

Budget Amendments for the following State Departments were reviewed and approved -

State Police Department, amendment dated August 24th, 1936.
Maryland State School for the Deaf, amendment dated September 3rd, 1936.
Land Office, amendment dated August 20th, 1936.
State Department of Health, amendment dated August 31st, 1936.
Bank Commissioner, amendment dated August 27th, 1936.

The Board approved bill of the Consolidated Gas Electric Light and Power Company of Baltimore, for work on the Executive Mansion, in the amount of \$2,006.16. The Board also approved bill of Clyde N. Friz, Architect, in the amount of \$1500.00 on account of services rendered on the Mansion work.

The Board allotted to the Military Department the sum of \$6,000.00 out of moneys to be returned to the Reserve Fund from prior allotments to various State Departments and Institutions. The Secretary was directed to secure from the Military Department a statement showing in detail the expenditure of this money, which is intended to take care of the pay of men in the service while at Camp.

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The Board was unaware of the fact that money appropriated to the Military Department for this purpose in the budget had been used for other purposes during the fiscal year, and that the Military department was left without sufficient funds to take care of the usual cost for pay to the men during encampment.

The Comptroller was directed in closing his appropriation accounts for the various State Agencies for the fiscal year ending September 30th, 1936 to return to the 1936 Reserve Fund any balances in the accounts of the Agencies which originated in the allotments to State Agencies out of the 1936 Reserve Fund, so that there would be reversions in the Departmental Accounts of any money allotted to the Departments out of the Reserve Fund during the 1936 year.

The Board authorized the payment to Isaac Lobe Strauss and to John Philip Hill of the sum of \$2,000.00 each for services in connection with the Rate Differential Case involving the Port of Albany and the Port of Baltimore, and the payment to the Daily Record of \$350.00 to take care of printing involved in that case, payment to be made out of the Contingent Fund of the Board of Public Works, the said fund to be supplemented by an allotment from the 1936 Reserve Fund in an amount equal to the expenditures authorized in this case.

Leases

The question of rent due the Union Trust Company for space used by the Survey Commission was considered.

The Board authorized this payment by the Comptroller out of the Budget of the Board of State Aid and Charities of the balance due the Union Trust Company to the end of September for space engaged for the Survey Commission.

The Secretary was instructed to request the Board of State Aid and Charities to include in its requisitions to the Comptroller for expenses an item to take care of the payment of the rent due the Union Trust Company in this case.

Dept. of Correction

The status of the State Use Fund of the Board of Welfare was considered. It was decided that these funds are State funds the same as any other revenues accruing to the State at the Maryland House of Correction and the Maryland Penitentiary, and that the money in this fund would be available to supplement budgets for the Maryland House of Correction and the Maryland Penitentiary if it is found necessary to use this money to off-set any deficiencies in the Legislative Budgets for those Institutions.

It was also decided that materials to be used at the State Use Shops at the Institutions should be purchased through the Central Purchasing Bureau the same as any other supplies for State Agencies.

The State Budget Director submitted to the Board for consideration detailed budgets for the various department, boards, institutions and commissions, these agencies having distributed the lump sums allotted to them at a prior meeting of the Board to the various items making up their budgets for the 1937 fiscal year.

After reviewing these budgets for next year the Board approved them.

The Board reviewed a Budget Amendment of the State Roads Commission dated August 24th, 1936, which was recommended by the State Budget Director and signed by the Governor, and approved same.

Dept. of Correction

Mr. Willis R. Jones, who had asked to appear before the Board in connection with allotments to budgets out of the 1937 Reserve Fund sent a telegram to the Board stating he would be unable to appear at the meeting because of an engagement which required his presence out of the City, and requested that he be given an opportunity to appear before the Board on the subject at a later meeting.

The Secretary was directed to advise Mr. Jones that the Board will hold a meeting on Wednesday, September 23rd, 1936, at 10:30 o'clock, A. M. in the offices of the Governor, Union Trust Building, Baltimore, at which meeting the Board would be willing to hear what Mr. Jones has to say on the subject.

Incl.

The Secretary brought to the attention of the Board a communication from Standley L. Richardson, Attorney, offering to pay \$21.16 in satisfaction of a judgment of the State of Maryland vs. John H. Deuber, individually and trading as John H. Deuber and Company, duly recorded in Baltimore City.

The Board instructed the Secretary to communicate with Mr. Richardson and ask for payment of interest which has accrued on this indebtedness.

The Secretary brought to the attention of the Board a communication received from the Maryland Training School for Colored Girls at Glenburnie, relative to a condition in the disposal of the sewage from the institution. The approximate cost including all materials necessary for the proposed work to correct the condition is \$225.00.

The Secretary was directed to advise the Maryland Training School for Colored Girls to proceed to have this work done at an approximate cost of \$225.00, and to submit bill therefor after October 1st, to be paid out of the 1937 Budget for the School.

The Secretary brought to the attention of the Board several communications received from Boards of Directors of the Insane Institutions of the State and a communication from Doctor George H. Preston, Commissioner of Mental Hygiene, relative to budgets for the Institutions under the supervision of the Board of Mental Hygiene for the fiscal year 1937.

The Secretary was directed to write Doctor Preston and to advise him that the Board of Public Works would meet on Wednesday, September 23rd, 1936, at 10:30 o'clock, A. M., in the offices of the Governor, Union Trust Building, Baltimore, for the purpose of considering representations of the Boards of Managers of the Institutions and Doctor Preston in this matter.

The Secretary brought to the attention of the Board a letter from the State Department of Forestry, in which approval was requested for the purchase of two tracts of land in Garrett County bordering the Swallow Falls State Forest, - one consisting of 50 acres at \$3.50

per acre, owned by Richard T. Coddington, and the other - 50 acres at \$3.50 per acre, owned by Julia Lawton, and adjoining the preceding tract.

The authority requested by the State Department of Forestry for the purchase of this land was granted.

The Secretary brought to the attention of the Board a letter received from the State Department of Forestry, dated September 1st, 1936, in which approval was requested for change in the acreage and purchase price on tract no. 42, being the Gertrude Browning tract in Garrett County.

The Board authorized the change as outlined in Mr. Besley's letter of September 1st.

The Secretary was directed to write the State Department of Forestry and to ask that it submit a statement to the Board of Public Works outlining what the Board of Forestry has in mind as to future acquisitions of land for forestry purposes.

The Board took up the question of the offer from the County Commissioners of Cecil County to give to the State a tract of land in that county of approximately 3,400 acres for purposes of the State Forestry Department.

A letter from the State Department of Forestry, dated September 1st, 1936 outlined the plans of the State Department of Forestry for the use of this property.

The Board of Public Works voted to accept the tender of the deed for this land from the County Commissioners of Cecil County, but instructed the Secretary to make a record of the fact that the Board is not willing to obligate itself to provide money for the maintenance ~~for~~ the extension of this property, and that all

maintenance for the property is to come from funds accruing to the State Department of Forestry from the property.

*Dept. of Research
& Education*

The Secretary brought to the attention of the Board a letter from Doctor R. V. Truitt, Director, The Chesapeake Biological Laboratory at Solomons Island, in which it was stated that it would be necessary to expend the additional sum of \$385.00 of State Funds in connection with the completion of the pier at Solomons Island. This pier is being built in connection with funds made available by the W.P.A. and the pier has been extended beyond the length it was decided to build it at the time the Board of Public Works made an original allotment of \$600.00 to take care of the State's share of the cost of the work.

The Board approved making available \$385.00 additional State funds to come from Grant money to be received in connection with construction work at State Institutions.

The Secretary brought to the attention of the Board some correspondence from the Commissioner of Motor Vehicles, the State Auditor and the State Law Department on the subject of fines imposed on Richard Stallings, Lawrence Jones, George Boots, Lester Bowen and Owen Brady, in which the Board was requested to authorize the writing off of these fines as uncollectible.

The Board approved the request that the Commissioner of Motor Vehicles be authorized to close his books as to these items.

The Secretary brought to the attention of the Board a letter from the State Roads Commission, advising of the filling of vacancies provided in budget amendments of the Commission by employment of George A. Loring, Road Inspector, a reinstatement, at salary of \$1320. a year, and Frank L. Young, Chief of Party, at \$1560. per year.

The Secretary brought to the attention of the Board communications from Queen City Renovating Company, relative to cleaning the walls of the Executive Mansion and the Old Treasury Building on the State House Circle.

The Board considered the prices quoted too high to cause the matter to be of any further consideration.

A letter from the State Roads Commission, dated August 21st, 1936, advising of the employment of Chiefs of Party in connection with the survey to be made under the supervision of the U.S. Federal Highway Planning Survey Department, was read and approved.

A letter from Springfield State Hospital, dated August 19th, relative to Mr. John T. Barnett, was read and considered, and the Board approved the request of Doctor Darling, Superintendent, that Mr. Barnett's cash compensation be increased to \$35.00 per month.

The Secretary brought to the attention of the Board a letter from Springfield State Hospital dated August 17th, 1936, in which approval was requested to the expenditure of \$10,000.00 for construction purposes. This money is available from unexpended funds to the credit of the Springfield State Hospital out of the 1933 Construction Bond Issue.

The Board approved the request.

The Secretary brought to the attention of the Board a communication from Mr. Wm. A. Codd, Chief Auditor,

State Roads Commission, giving a detailed statement of the expenditure of \$36,695.98, in connection with the repairing of damage done by the flood of last spring, with request that this amount be transferred from the Emergency Reconstruction Bond Issue of 1936 to the Budget Account of the State Roads Commission.

The statement of the expenditures was approved, and authority granted to make the transfer of funds requested.

The Secretary brought to the attention of the Board a communication from Mr. Harry Mertz, State Purchasing Agent, in which he requested authority to execute a lease for the next three years, beginning October 1st, 1936, for the quarters occupied by the Bureau in the Whitaker Building, Baltimore, on the same terms and conditions covered by the lease expiring that date.

The authority requested by Mr. Mertz was approved.

The Secretary brought to the attention of the Board a claim of the State Comptroller against the American Supply Company, Washington, for gasoline taxes, calling attention to the fact that it was necessary for the State Law Department to have a Washington attorney represent our office in effort to effect collection of our claim.

The State Law Department advised the State Comptroller that it would be useless to prosecute the claim further because of the fact that the maximum amount which it might be possible to obtain would be \$135.00 or a minimum of \$45.00 if it was to be decided that the State of Maryland was entitled to a prorata share of the receivership outfit in which the American Supply Company was interested.

The State Law Department recommended that we reimburse Mr. Arthur G. Lambert, Washington Attorney, in the amount of \$50.00 to cover services rendered by him up to this time in representing the State in the case, and that we discontinue any further efforts to effect collection of any part of our claim.

The Board approved the recommendation of the State Law Department, the \$50.00 to be paid out of the Contingent Fund of the Board of Public Works.

The Secretary brought to the attention of the Board a communication dated August 20th, 1936, from Doctor Ira A. Darling, Superintendent, Springfield State Hospital, relative to the status of Mr. Wm. J. Knauff, a supervisor at the Institution.

The view of the Board of Public Works was that nothing could be done which could conflict with the rules and regulations of the State Employment Commissioner in this matter.

The following two letters dated September 9th, 1936, addressed to the Board of Public Works by the State Budget Director, were considered in connection with budget schedules for the fiscal year 1937, including allotments from the Reserve Fund for that year, which were duly approved as hereinbefore mentioned -

Executive Department
Annapolis, Md.

September 9, 1936.

Board of Public Works,
Annapolis, Md.

Gentlemen:-

The following figures may be of great interest to the Board in connection with various changes in the budget appropriated for State salaries in the last few years. They have been compiled by a survey of the printed budgets and while they do not purport to be an accurate State payroll in as much as in many cases the salaries paid are not exactly in conformation with the itemized budget, the figures have been carefully compiled and in the aggregate represent a complete and carefully constructed picture.

For purposes of comparison, newly created departments have been eliminated, such as State Engineering, Hall of Records, Alcoholic Beverage Account of the Comptroller's Department, and of course the Emergency Relief set-up of the Board of State Aid and Charities and various allocations of Federal funds. Also the Public School budget has been disregarded with the exception that the State Department of Education and the Normal Schools have been included, as they carry through consistently and salaries can be compared. Also certain lump sums to institutions of a State-aided nature where it is impossible by the printed budget to segregate salaries from expenses.

For purposes of comparison, appointive and elective State Officers, including the Judiciary are grouped together. Other State employees representing the rank and file are then treated as a group, these two making the total of the salary budget. It is impossible of course to segregate among the rank and file unclassified labor and a number of departments which are not included in the Merit System, but this group will represent the so called rank and file of State employees.

The salary budget for the year 1934-5 as passed by the Legislature in 1933 before cuts were installed is compared in the first table with the salary budget as it

resulted from imposing the percentage cuts stipulated.

TABLE I

	<u>Before Cuts</u>	<u>After Cuts</u>	<u>Reduction</u>	<u>Reduction Percentage</u>
Employees	\$5,747,479.00	\$4,744,537.	\$1,002,942.	17.4
Appointive and Elective Officers	592,950.00	555,277.	37,673.00	6.3
Total	6,340,429.00	5,299,814	1,040,615.00	16.4

There is given in the next table a comparison between the budget as enacted in 1933 and the budget as passed by the Legislature in 1935. For purposes of comparison in this table, in the State Officers' group, there has been deducted the sum of \$21,700 representing the salaries of paid commissioners added by increased Board membership in the cases of the Conservation, State Roads, and Industrial Accident Commissions.

TABLE II

	<u>1934</u>	<u>1936 Legislated</u>	<u>Reduction</u>	<u>Percentage Reduction</u>
Employees	\$4,744,537.	\$4,419,536.	\$325,001	6.8
Appointive and Elective Officers	555,277.	544,960.	10,317.	1.8
Total	5,299,814	4,964,496.	335,318.	6.3

In the next table is shown the effect of the allocations from the Cushion Fund in the summer of 1935 and in addition allocations from Special Funds to those departments supported by Special Tax Income. In this table the \$21,700 due to increase of paid Board members is included.

TABLE III

	<u>1936 Legislative</u>	<u>1936 After Allocations</u>	<u>Increase</u>	<u>Percentage Increase</u>
Employees	\$4,419,536.	\$4,749,918.	\$330,382.	7.5
Appointive and Elective Officers	566,660.	589,735.	23,075.	4.1
Total	4,986,196	5,339,653.	353,457.	7.1

In the next table is shown the effect of various adjustments in salary during the present fiscal year, notably the adjustments in the State Roads Department which alone amount to \$247,000. This table is compiled by calculating the changes during the year by budget amendment on to an annual basis. The

TABLE IV

	<u>Beginning of year</u>	<u>End of Year</u>	<u>Increase</u>	<u>Percentage Increase</u>
Employees	\$4,749,918.	\$5,017,215	267,297.	5.6
Appointive and Elective Officers	589,735.	589,735.	-	0
Total	5,339,653.	5,606,950.	267,297.	5.0

The next table shows the increases in salary appropriations from the present level as of September 1936 to the salary appropriation which will go into effect Oct. 1, if the "breakdowns" presented to the Board today are approved. In this connection the Education Department is an estimate as their final figures have not been submitted, but any deviation will be an extremely small matter.

TABLE V

	<u>1936 Sept</u>	<u>1936 Oct. 1.</u>	<u>Increase</u>	<u>Percentage Increase</u>
Employees	\$5,017,215.	\$5,130,108.	\$112,893.	2.3
Appointive and Elective Officers	589,735.	600,260.	10,525.	1.8
TOTAL	5,606,950.	\$5,730,368.	\$123,418.	2.2

The above summaries will give an indication of how far various salary groups have been restored and it will be noted that the total salaries for the fiscal year beginning October 1, not only represent a restoration of the cuts in the budget passed in 1935 but over \$430,000 restored of the salary cuts made by Governor Ritchie in 1933.

Yours very truly,

/s/ WM. H. BLAKEMAN

State Budget Director.

9/9/36
Board of Public Works,
Annapolis, Md.

EXECUTIVE DEPARTMENT
ANNAPOLIS MD.

September 9, 1936

Gentlemen:-

Herewith are presented for the Board's consideration budget "breakdowns" of all departments and institutions of the State for the fiscal year ending September 30, 1937, with the exception of the various "breakdowns" for the Public School System. This presentation is made to the Board to conform with Section 11 of the Budget Law and Resolutions passed by the Board of Public Works for the control of budget amendments on March 4, 1936.

It has been impossible to make the necessary contact with the Superintendent of Schools on account of his absence from the city until Sunday, September 6, and in consequence the earliest discussion of this matter with him was on Monday, September 7, at which time it was arranged to have the proposed Public School budget and the budgets for the Normal Schools and the Department of Education ready for the Board's approval on September 23, at which time they will be presented.

The restoration of salaries to Public Officers in conformity with the Attorney General's opinions of August 4 and of August 10, have been carried out in compiling these "breakdowns". It will also be noted that the restoration of the salary of the Assistant State Auditor in the Conservation Department in conformity with the Attorney General's opinion of September 8, copy of which is attached, has also been made. In this connection, the Board will note a supplementary request from the "Cushion Fund" for \$416.00 to carry out this mandate, as the Conservation Department's "breakdown" was compiled and in the writer's hands before this opinion was received.

In connection with the "breakdown" of the two penal institutions, it is recommended that there be added to these two institutional budgets a new item, which shall set up the State-use Fund as apportioned to the Penitentiary and the House of Correction,

thus bringing this fund under proper administration control.

In connection with the review of these "breakdowns" by the Board, it is requested that the Board enter in their minutes a resolution or minute to the effect that these "breakdowns" or revisions of the departmental budgets are presented to the Board as budget amendments and as such have the legal status of the same, and that the Governor's approval of these budget amendments, as a member of the Board, constitutes his approval of them as required by law.

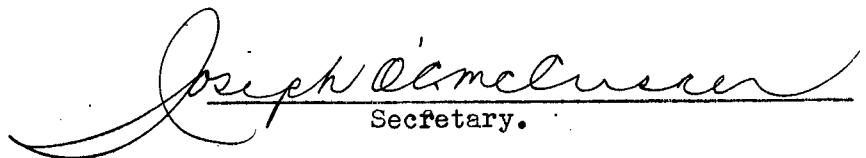
It will be noted by the Board in their review of these "breakdowns" that while no definite percentage of salary restoration has been attempted, the writer has advocated and is recommending to the Board that wherever possible within the lump sum allocations made by the Board on August 4, departments and institutions of the State make adjustments in salaries where merited and found expedient. This has been carried out by the Departments and as the "breakdowns" are reviewed, the Board's attention will be called to the various adjustments that have been made.

Yours very truly,

/s/ Wm. H. Blakeman,

State Budget Director.

There being no further business the meeting adjourned.


Secretary.